

The County of El Dorado

Human Resources Department
Risk Management
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June 15, 2011

Board of Supervisors County of El Dorado 330 Fair Lane Placerville, CA 95667

RE: Recommended Memorandum of Understanding with Local No. 1

Dear Board Members;

At the direction of your Board, staff has met and negotiated in good faith with the El Dorado County Employees Association Local No. 1, representing employees in the General (GE), Professional (PL), and Supervisory (SU) bargaining units. The parties began the negotiation process June 2010 on a successor Memorandum of Understanding (MOU) that expired on June 30, 2010, as required under Government Code Section 3500 et seq. The parties have met numerous times, exchanged proposal, and have given serious consideration in regard to the successor MOU during these difficult economic times. This MOU is the result of the County and Local 1 working together for the long range economic well being of the County.

On or about June 1, 2011, members of Local 1 ratified the recommended MOU. This successor MOU is now before the Board for final adoption. Staff recommends adoption of this successor MOU and provides highlights of the agreement as follows:

- 1. CalPERS "Second Tier" The County and Local No. 1 are in agreement to implement a CalPERS second Tier for retirement benefits. The second tier would become effective upon adoption by the Board of a Contract Amendment between the Board of Administration for CalPERS and the County of El Dorado. The second tier would provide all new hires after the effective date of the amendment retirement benefits of 2% @ 60, with Three-Year Final Compensation. Current employees would continue under 2% @ 55, Single Highest Year Final Compensation.
- 2. Current Employee CalPERS Contribution The employee contribution to PERS is 7% of payroll as determined by CalPERS. Current employees, after the second year of employment, do not pay any of the 7%. Under this MOU there would be a 3% / 4% split, with employees paying 3% and the County paying 4%. This is significant for employees in this unit that have not received a wage increase since July 2007 and the recommended MOU does not include an across the board salary increase.

- 3. Multi-Year Agreement This MOU is a multi-year agreement effective upon adoption by the Board through June 30, 2013.
- 4. On-Call Pay This agreement provides an increase in the on-call hourly rate from \$1.20 per hour to \$1.60 per hour. It should be noted this rate has not be increased since the late 1980's.
- 5. The majority of other changes are language changes intended to provide better direction for all parties.

This recommended Memorandum of Understanding represents work done by staff and the union to meet the needs of both parties. The long range economic outlook of the County was at the forefront of negotiations throughout the process.

Recommendation:

Staff recommends the Board approve, adopt, and authorize the Chair to sign the attached Resolution and the Memorandum of Understanding between the County of El Dorado and the El Dorado County Employees Association, Local No.1, representing General, Supervisory, and Professional Employees.

Reason for Recommendation:

The parties have negotiated in good faith since June 2010 in an attempt to reach a mutually agreed upon successor MOU during these tough economic times. The previous MOU expired June 30, 2010. The parties recognize the economic conditions facing this County and came together to meet the long term economic goals of the County.

Sincerely

M. Allyn Bulzomi

Director of Human Resources

Terri Daly, CAO
 Lou Green, County Counsel
 Jere Copeland, Executive Director Local 1